

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

G

SW-02519A

Gold Canyon Sewer Corporation
111 W. Wigwam Blvd, Suite B
Litchfield Park, AZ 85340

RECEIVED

APR 12 2005

AZ Corporation Commission
Director Of Utilities

ANNUAL REPORT

FOR YEAR ENDING

12	31	2004
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FOR COMMISSION USE

ANN05	04
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COMPANY INFORMATION

Company Name (Business Name) Gold Canyon Sewer Corporation

Mailing Address 111 W. Wigwam Blvd., suite B
(Street)

Litchfield Park

(City)

Arizona

(State)

85340

(Zip)

(623) 935 - 9367

Telephone No. (Include Area Code)

(623) 935 - 1020

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Email Address _____

Local Office Mailing Address 111 W. Wigwam Blvd., suite B
(Street)

Litchfield Park

(City)

Arizona

(State)

85340

(Zip)

(623) 935 - 9367

Local Office Telephone No. (Include Area Code)

(623) 935 - 1020

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Email Address _____

MANAGEMENT INFORMATION

Management Contact: Peter Kampian Chief Financial Officer
(Name) (Title)

2845 Bristol Circle

(Street)

Oakville, Ontario

(City)

Canada

(State)

L6H 7H7

(Zip)

(905) 465-4500

Telephone No. (Include Area Code)

(905) 465-4514

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Email Address _____

On Site Manager: Mike Weber General Manager
(Name)

111 W. Wigwam Blvd., Suite B

(Street)

Litchfield Park

(City)

Arizona

(State)

85340

(Zip)

(623) 935-9367

Telephone No. (Include Area Code)

(623) 935-1020

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Email Address _____

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

Statutory Agent: CT Corporation System

(Name)

3255 N. Central Ave

(Street)

Phoenix

(City)

AZ

(State)

85012

(Zip)

(602) 277-4792

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Attorney: Jay Shapiro @Fennemore Craig

(Name)

3003 North Central Ave., Suite 2600

(Street)

Phoenix

(City)

AZ

(State)

85012-2913

(Zip)

(602) 916-5366

Telephone No. (Include Area Code)

(602) 916-5566

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

OWNERSHIP INFORMATION

Check the following box that applies to your company:

☐ Sole Proprietor (S)

☒ C Corporation (C) (Other than Association/Co-op)

☐ Partnership (P)

☐ Subchapter S Corporation (Z)

☐ Bankruptcy (B)

☐ Association/Co-op (A)

☐ Receivership (R)

☐ Limited Liability Company

☐ Other (Describe) _____

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

☐ APACHE

☐ COCHISE

☐ COCONINO

☐ GILA

☐ GRAHAM

☐ GREENLEE

☐ LA PAZ

☐ MARICOPA

☐ MOHAVE

☐ NAVAJO

☐ PIMA

☒ PINAL

☐ SANTA CRUZ

☐ YAVAPAI

☐ YUMA

☐ STATEWIDE

COMPANY NAME GOLD CANYON SEWER CORPORATION

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
351	Organization			
352	Franchises			
353	Land and Land Rights			
354	Structures and Improvements	2,202,973	137,361	2,065,611
355	Power Generation Equipment			
360	Collection Sewers - Force	72,714	1,406	71,308
361	Collection Sewers - Gravity	24,826	199	24,626
362	Special Collecting Structures	19,067	1,430	17,637
363	Services to Customers	18,928	1,000	17,929
364	Flow Measuring Devices	3,708	113	3,595
365	Flow Measuring Installations	98,864	4,434	94,430
366	Reuse Services	56,694	13,666	43,028
370	Receiving Wells			
371	Pumping Equipment	51,110	3,139	47,970
380	Treatment and Disposal Equip.			
381	Plant Sewers	945	228	
382	Outfall Sewer Lines			
389	Other Plant and Misc. Equipment	6,540,704	1,025,453	5,515,252
390	Office Furniture and Equipment	14,588	905	13,683
391	Transportation Equipment			
393	Tools, Shop and Garage Equip.			
394	Laboratory Equipment	14,796	793	14,003
395	Power Operated Equipment			
398	Other Tangible Plant			
	TOTALS	9,119,917	1,190,128	7,929,790

This amount goes on the Balance Sheet Acct. No. 108

COMPANY NAME GOLD CANYON SEWER CORPORATION

CALCULATION OF DEPRECIATION EXPENSE

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
351	Organization			
352	Franchises			
353	Land and Land Rights			
354	Structures and Improvements	2,202,973	2.5%	50,530
355	Power Generation Equipment			
360	Collection Sewers - Force	72,714	2.5%	1,093
361	Collection Sewers - Gravity	24,826	2.5%	138
362	Special Collecting Structures	19,067	2.5%	477
363	Services to Customers	18,928	2.5%	473
364	Flow Measuring Devices	3,708	2.5%	(1,664)
365	Flow Measuring Installations	98,864	2.5%	4,228
366	Reuse Services	56,694	2.5%	1,417
370	Receiving Wells			
371	Pumping Equipment	51,110	2.5%	1,046
380	Treatment and Disposal Equip.			
381	Plant Sewers	945	2.5%	24
382	Outfall Sewer Lines			
389	Other Plant and Misc. Equipment	6,540,704	2.5%	162,215
390	Office Furniture and Equipment	14,588	2.5%	289
391	Transportation Equipment			
393	Tools, Shop and Garage Equip.			
394	Laboratory Equipment	14,796	2.5%	370
395	Power Operated Equipment			
398	Other Tangible Plant			
	SUBTOTAL	9,119,917		220,637
	CIAC Amortization			(19,345)
	TOTALS	9,119,917		201,292

This amount goes on Comparative Statement of Income and Expense Acct. 403

COMPANY NAME GOLD CANYON SEWER CORPORATION

BALANCE SHEET

Acct. No.	ASSETS	BALANCE AT BEGINNING OF TEST YEAR	BALANCE AT END OF YEAR
	CURRENT AND ACCRUED ASSETS		
131	Cash	49,028	\$ 133,927
132	Special Deposits		
135	Temporary Cash Investments		
141	Customer Accounts Receivable	149,919	113,420
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies		
162	Prepayments	3,865	16,562
174	Miscellaneous Current and Accrued Assets	81,006	61,714
	TOTAL CURRENT AND ACCRUED ASSETS	\$ 283,818	\$ 325,622
	FIXED ASSETS		
101	Utility Plant in Service	8,328,652	9,119,917
103	Property Held for Future Use		
105	Construction Work in Progress		5,814,619
108	Accumulated Depreciation - Utility Plant	969,490	1,190,128
121	Non-Utility Property		
122	Accumulated Depreciation - Non Utility		
	TOTAL FIXED ASSETS	\$ 7,359,161	\$ 13,744,409
	TOTAL ASSETS	\$ 7,642,980	\$ 14,070,031

NOTE: Total Assets on this page should equal Total Liabilities and Capital on the following page.

COMPANY NAME GOLD CANYON SEWER CORPORATION

BALANCE SHEET (CONTINUED)

Acct. No.	LIABILITIES	BALANCE AT BEGINNING OF TEST YEAR	BALANCE AT END OF YEAR
	CURRENT LIABILITES		
231	Accounts Payable	\$ 108,724	\$ 1,437,448
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies	79,325	137,413
235	Customer Deposits	9,806	9,806
236	Accrued Taxes	369,677	402,171
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities	(35,954)	9,449
	TOTAL CURRENT LIABILITIES	\$ 531,578	\$ 1,996,287
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds		
	DEFERRED CREDITS		
252	Advances in Aid of Construction	\$ 2,009,174	\$ 1,996,773
253	Other Deferred Credits		
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction	578,810	768,257
272	Less: Amortization of Contributions	20,157	39,503
281	Accumulated Deferred Income Tax		
	TOTAL DEFERRED CREDITS	\$ 2,567,827	\$ 2,725,527
	TOTAL LIABILITIES	\$ 3,099,405	\$ 4,721,814
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$ 1	\$ 4,022,618
211	Other Paid in Capital	4,950,049	4,950,049
215	Retained Earnings	(406,475)	375,550
218	Proprietary Capital (Sole Props and Partnerships)		
	TOTAL CAPITAL	\$ 4,543,575	\$ 9,348,217
	TOTAL LIABILITIES AND CAPITAL	\$ 7,642,980	\$ 14,070,031

COMPANY NAME GOLD CANYON SEWER CORPORATION
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COMPARATIVE STATEMENT OF INCOME AND EXPENSE

	OPERATING REVENUES	PRIOR YEAR	TEST YEAR
521	Flat Rate Revenues	\$ 1,996,636	\$ 2,203,419
522	Measured Revenues		
536	Other Wastewater Revenues	37,475	47,676
	TOTAL REVENUES	\$ 2,034,111	\$ 2,251,095
	OPERATING EXPENSES		
701	Salaries and Wages		
710	Purchased Wastewater Treatment		
711	Sludge Removal Expense	57,927	60,569
715	Purchased Power	62,784	69,727
716	Fuel for Power Production		
718	Chemicals	24,242	51,319
720	Materials and Supplies	130,219	49,733
731	Contractual Services - Professional	362,858	111,589
735	Contractual Services - Testing	20,059	11,398
736	Contractual Services - Other	187,382	560,050
740	Rents	30,075	37,090
750	Transportation Expense	656	4,247
755	Insurance Expense	16,046	18,443
765	Regulatory Commission Expense	33,221	19,293
775	Miscellaneous Expense	53,329	138,338
403	Depreciation Expense	179,097	201,292
408	Taxes Other Than Income		
408.11	Property Taxes	70,992	135,981
409	Income Taxes	340,603	
	TOTAL OPERATING EXPENSES	\$ 1,569,490	\$ 1,469,070
	OTHER INCOME/EXPENSE		
419	Interest and Dividend Income		
421	Non-Utility Income		
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense	32	
	TOTAL OTHER INCOME/EXP	\$ (32)	\$ -
	NET INCOME/(LOSS)	\$ 464,589	\$ 782,025

SUPPLEMENTAL FINANCIAL DATA

Long-Term Debt

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued				
Source of Loan				
ACC Decision No.				
Reason for Loan				
Dollar Amount Issued	\$	\$	\$	\$
Amount Outstanding	\$	\$	\$	\$
Date of Maturity				
Interest Rate	%	%	%	%
Current Year Interest	\$	\$	\$	\$
Current Year Principle	\$	\$	\$	\$

COMPANY NAME GOLD CANYON SEWER CORPORATION

WASTEWATER COMPANY PLANT DESCRIPTION

TREATMENT FACILITY

TYPE OF TREATMENT (Extended Aeration, Step Aeration, Oxidation Ditch, Aerobic Lagoon, Anaerobic Lagoon, Trickling Filter, Septic Tank, Wetland, Etc.)	1 X 0.5 MGD Extended Aeration 1 X 0.5 MGD SBR
DESIGN CAPACITY OF PLANT (Gallons Per Day)	1.0 X MGD

LIFT STATION FACILITIES

Location	Quantity of Pumps	Horsepower Per Pump	Capacity Per Pump (GPM)	Wet Well Capacity (gals)
Peralta	4	2 @ 75 HP 2 @ 20 HP	2 @ 1,350 2 @ 875	3,335
GC RV Park	2	15	700	2,500
Sand Point RV Park	2	5	180	1,200
Ponderosa	2	5	180	1,200

FORCE MAINS

Size	Material	Length (Feet)
4-inch	PVC	1,500
6-inch	PVC	7,000
12-inch	PVC	21,900
8-inch	DIP	396

MANHOLES

Type	Quantity
Standard	1,541
Drop	34

CLEANOUTS

Quantity
91

WASTEWATER COMPANY PLANT DESCRIPTION (CONTINUED)

COLLECTION MAINS

Size (in inches)	Material	Length (in feet)
2	PVC	2,489
6	PVC	2,366
8	PVC	294,539
10	PVC	12,346
12	PVC	10,152
15	PVC	10,725
21	PVC	360

SERVICES

Size (in inches)	Material	Quantity
2	PVC	24
4	PVC	3,931

FOR THE FOLLOWING FIVE ITEMS, LIST THE UTILITY OWNED ASSETS IN EACH CATEGORY

SOLIDS PROCESSING AND HANDLING FACILITIES	Aerobic Sludge Digester Filter Belt Press
DISINFECTION EQUIPMENT (Chlorinator, Ultra-Violet, Etc.)	1.0 High Intensity UV
FILTRATION EQUIPMENT (Rapid Sand, Slow Sand, Activated Carbon, Etc.)	2 X 0.5 MGD Rapid Sand Filter
STRUCTURES (Buildings, Fences, Etc.)	Blower Shed UV Shed Storage Shed Office Trailer 942 ft – 6 foot Concrete Wall 1545 ft – 6 foot Decorative Wall Fence around Sand Point RV Park Lift Station
OTHER (Laboratory Equipment, Tools, Vehicles, Standby Power Generators, Etc.)	BOD/TSS Lab Equipment Stand-by Generator John Deere Tractor

COMPANY NAME	GOLD CANYON SEWER CORPORATION
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WASTEWATER FLOWS

MONTH/YEAR (Most Recent 12 Months)	NUMBER OF SERVICES	TOTAL MONTHLY SEWAGE FLOW	SEWAGE FLOW ON PEAK DAY
Jan-04	4,519	21,196,000	795,000
Feb-04	4,544	20,726,000	788,000
Mar-04	4,587	22,261,000	987,000
Apr-04	4,623	26,969,000	752,000
May-04	4,656	16,713,000	653,000
Jun-04	4,703	14,059,000	560,000
Jul-04	4,703	13,331,000	502,000
Aug-04	4,736	13,645,000	499,000
Sep-04	4,779	13,896,000	616,000
Oct-04	4,830	16,373,000	674,000
Nov-04	4,830	19,910,000	775,000
Dec-04	4,915	20,185,000	847,000

PROVIDE THE FOLLOWING INFORMATION AS APPLICABLE

Method of Effluent Disposal (leach field, surface water discharge, reuse, injection wells, groundwater recharge, evaporation ponds, etc.)	Turf Irrigation, Recharge
Wastewater Inventory Number (all wastewater systems are assigned an inventory number)	100217
Groundwater Permit Number	N/A
ADEQ Aquifer Protection Permit Number	P100217
ADEQ Reuse Permit Number	R100217
EPA NPDES Permit Number	N/A

STATISTICAL INFORMATION

Total number of customers 4,915

Total number of gallons treated 219,264,000 gallons

COMPANY NAME GOLD CANYON SEWER CORPORATION YEAR ENDING 12/31/2004

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported Unable to isolate due to Consolidated Return filed
Estimated or Actual Federal Tax Liability _____

State Taxable Income Reported Unable to isolate due to Consolidated Return filed
Estimated or Actual State Tax Liability _____

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances N/A
Amount of Gross-Up Tax Collected N/A
Total Grossed-Up Contributions/Advances N/A

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.

Michael D. Weber
SIGNATURE

4/6/05
DATE

MICHAEL D. WEBER
PRINTED NAME

VICE PRES./CM
TITLE

COMPANY NAME GOLD CANYON SEWER CORPORATION YEAR ENDING 12/31/2004

PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2004 was: \$ 103,486.62

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. _____

	GOLD CANYON SEWER COMPANY PO Box 459 Litchfield Park, AZ 85340 (623) 935-9367 X 0Fax: (623) 935-1020 X 0000	2142119 Bank One, NA Phoenix, Arizona	000751
Sixty One Thousand Five Hundred Sixty Eight Dollars and 14 Cents		DATE November 2, 2004	AMOUNT US\$61,568.14 U.S. Funds
PAY TO THE ORDER OF Pinal County Treasurer P.O. Box 729 Florence, AZ 85232-0729	Gold Canyon Sewer Company (Operating Account)		
9521430109			
⑈000751⑈ ⑆122100024⑆ 641840368⑈ 11-03-2004 ⑈000751⑈			

3054 83736

REV-501

BANK ONE, NA
▶1119013314
11052904
5240788442

1

<u>Location</u>	<u>Acct #</u>	<u>Check #</u>	<u>Amount</u>	<u>Issue Date</u>	<u>Paid Date</u>	<u>Sequence</u>	<u>Customer Data</u>
CD	641840368	751	\$61,568.14		11/5/2004	5240788442	
<u>Bank #</u>	<u>GL Category</u>	<u>CD VolID/CIMS Key</u>	<u>CD Label</u>				
601	00000000000000	20041130185001	20041130185001				

Pinal County Treasurer TAX RECEIPT**PO Box 729****Florence, AZ 85232-0729****Phone: (520) 866-6412 Fax: (520) 868-9007****www.co.pinal.az.us/treasurer e-mail: treasurer@co.pinal.az.us**

Paid By: GOLD CANYON SEWER CO GRAHAM SYMMONDS P O BOX 731 CAREFREE, AZ 85377	CNTR Batch: 2105274 Payment Date: 2/18/2004 Interest Date: 2/18/2004 Printed By: TRSTAD DUPLICATE Printed: 4/08/2005
--	---

Parcel Number	Description	Amt Pd	Balance Due	If Paid By
982-14-301T0	2003 Taxes Paid Total Paid	1,252.06 1,252.06 <u>1,252.06</u>	.00	
TOTAL VALUE OF OPERATING PROPERTY 104-11-012-F 58,170				

Pinal County Treasurer TAX RECEIPT**PO Box 729****Florence, AZ 85232-0729****Phone: (520) 866-6412 Fax: (520) 868-9007****www.co.pinal.az.us/treasurer e-mail: treasurer@co.pinal.az.us**

Paid By: GOLD CANYON SEWER CO GRAHAM SYMMONDS P O BOX 731 CAREFREE, AZ 85377	CNTR Batch: 2105274 Payment Date: 2/18/2004 Interest Date: 2/18/2004 Printed By: TRSTAD DUPLICATE Printed: 4/08/2005
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Parcel Number	Description	Amt Pd	Balance Due	If Paid By
982-14-300T1	2003 Taxes Paid Total Paid	40,666.42 40,666.42 <u>40,666.42</u>	.00	
TOTAL VALUE OF OPERATING PROPERTY				

RECEIVED

VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only

APR 12 2005

AZ Corporation Commission
Director Of Utilities

VERIFICATION

STATE OF ARIZONA
I, THE UNDERSIGNED
OF THE

COUNTY OF PINAL
NAME (OWNER OR OFFICIAL) TITLE Mike Weber, VP
COMPANY NAME Gold Canyon Sewer Corporation

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2004

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2004 WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)

\$ 2,251,095

(THE AMOUNT IN BOX ABOVE
INCLUDES \$ 0
IN SALES TAXES BILLED, OR COLLECTED)

**REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)

Michael D. Weber
SIGNATURE OF OWNER OR OFFICIAL
623 935-9367
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

6th

DAY OF

COUNTY NAME

Maricopa

MONTH April

, 2005



OFFICIAL SEAL

BARBARA RISDIEN

Notary Public - State of Arizona

MARICOPA COUNTY

My Comm. Expires Feb. 3, 2007

Barbara Risdien
SIGNATURE OF NOTARY PUBLIC

MY COMMISSION EXPIRES

VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
INTRASTATE REVENUES ONLY

RECEIVED

APR 12 2005

VERIFICATION

AZ Corporation Commission
Director Of Utilities

STATE OF ARIZONA

COUNTY OF PINAL

I, THE UNDERSIGNED

NAME (OWNER OR OFFICIAL) **Mike Weber**

TITLE **VP**

OF THE

COMPANY NAME **Gold Canyon Sewer Corporation**

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2004

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2004 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES

\$ 1,770,873

(THE AMOUNT IN BOX AT LEFT
INCLUDES \$ 0

IN SALES TAXES BILLED, OR COLLECTED

*RESIDENTIAL REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED.

X

Michael D. Weber

SIGNATURE OF OWNER OR OFFICIAL

623 935-9367

TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

6th

DAY OF

(SEAL)

MY COMMISSION



OFFICIAL SEAL
BARBARA RIDEN
Notary Public - State of Arizona
MARICOPA COUNTY
My Comm. Expires Feb. 3, 2007

X

NOTARY PUBLIC NAME <i>Barbara Riden</i>	
COUNTY NAME <i>Maricopa</i>	
MONTH <i>April</i>	20 <u>05</u>

Barbara Riden

SIGNATURE OF NOTARY PUBLIC

	Actual	Prior Year
ASSETS		
Current Assets		
Cash - Operating	\$117,867	\$39,152
Cash - Capacity	16,059	9,875
Accounts Receivable	113,420	149,919
Prepays	3,138	2,586
Deposits	13,424	1,279
Total Current Assets	263,908	202,811
Intercompany	124,939	
Long Term Assets		
Fixed Assets		
Water Treatment Plant	14,979,293	8,373,409
Less Accum Depreciation	(1,214,537)	(984,948)
Contribution in Aid of Construction	(768,257)	(578,810)
Accum Depreciation - CIAC	39,503	20,157
Net Fixed Assets	13,036,002	6,829,808
Other Assets		
Deferred Costs	41,366	51,707
Total Other Assets	41,366	51,707
Total Assets	13,466,215	7,084,326
LIABILITIES		
Current Liabilities		
Accounts Payable and Accrued Liabilities	1,518,271	111,650
Inter group	262,352	79,325
Franchise Tax Payable		
Income Tax Payable	340,603	340,603
Total Current Liabilities	2,121,226	531,578
Long Term Liabilities		
Customer Advances in Aid of Construction	1,996,773	2,009,174
Total Long Term Liabilities	1,996,773	2,009,174
Total Liabilities	4,117,999	2,540,752
SHAREHOLDERS EQUITY		
Common Shares	8,972,667	4,950,050
Total Contributed Capital	8,972,667	4,950,050
Earnings		
Retained Earnings	(447,939)	(909,450)
Year to Date Income	782,025	461,511
Dividends Paid	41,464	41,464
Total Earnings	375,550	(406,475)
Total Shareholders' Equity	9,348,217	4,543,575
Total Liabilities and Equity	13,466,216	7,084,327

For the Twelve Months Ending December 31, 2004

CURRENT MONTH

YEAR TO DATE

	Actual	Budget	Prior	% Change Budget	% Change Prior		Actual	Budget	Prior	% Change Budget	% Change Prior
						Revenue					
						Water Sales					
						Waste Water Sales					
	\$148,899	\$161,840	\$152,014	-8.00%	-2.05%	Residential Revenues	\$1,770,873	\$1,885,380	\$1,715,096	-6.07%	3.25%
	34,953	28,800	12,044	21.36%	190.21%	Commercial Revenues	393,555	324,000	192,030	21.47%	104.94%
	1,626	8,745	1,419	-81.41%	14.59%	Industrial Revenues	38,991	101,841	89,509	-61.71%	-56.44%
	185,478	199,385	165,477	-6.97%	12.09%		2,203,419	2,311,221	1,996,635	-4.66%	10.36%
						Reclaimed Water Sales (Effluent)					
	(872)	0	7,023	0.00%	-112.42%	Other Revenues	47,676	0	37,475	0.00%	27.22%
	(872)	0	7,023	0.00%	-112.42%	Other Revenues	47,676	0	37,475	0.00%	27.22%
	184,606	199,385	172,500	-7.41%	7.02%	Total Revenue	2,251,095	2,311,221	2,034,110	-2.60%	10.67%
						Operating Costs					
	(320)	850	501	-137.65%	-163.87%	Sources of Supply, Collections & Expenses	4,422	10,200	6,536	-56.65%	-32.34%
	85	0	0	0.00%	0.00%	Purchased Water	1,937	0	0	0.00%	0.00%
	0	0	10,266	0.00%	-100.00%	Fuel for Power Production	0	0	62,784	0.00%	-100.00%
	0	0	1,262	0.00%	-100.00%	Chemicals	0	0	24,048	0.00%	-100.00%
	39	0	0	0.00%	0.00%	Materials & Supplies	205	0	0	0.00%	0.00%
	26,141	15,375	15,000	70.02%	74.27%	Contractual Services	336,336	184,500	174,190	82.30%	93.09%
	167	0	0	0.00%	0.00%	Transportation Expenses	3,222	0	0	0.00%	0.00%
	26,112	16,225	27,029	60.94%	-3.39%		346,122	194,700	267,558	77.77%	29.36%
						Water Treatment & Pumping Expenses					
						Transportation & Distr, Treatment & Disposal Exp	67,791	61,500	0	10.23%	0.00%
	3,982	5,125	0	-22.30%	0.00%	Purchased Power	51,319	43,050	0	19.21%	0.00%
	2,811	3,588	0	-21.66%	0.00%	Chemicals	14,173	0	1,462	0.00%	869.43%
	630	0	0	0.00%	0.00%	Materials & Supplies	56,524	0	0	0.00%	0.00%
	9,730	0	0	0.00%	0.00%	Contractual Services	60,569	47,150	57,927	28.46%	4.56%
	2,039	3,929	5,485	-48.10%	-62.83%	Sludge & Removal Expense	2,595	0	0	0.00%	0.00%
	172	0	0	0.00%	0.00%	Equipment Rental	252,971	151,700	59,389	66.76%	325.96%
	19,364	12,642	5,485	53.17%	253.04%						
						Effluent Water Treatment Expenses					
						Effluent Water Distribution Expenses					
						Total Operating Costs	599,093	346,400	326,947	72.95%	83.24%
	45,476	28,867	32,514	57.54%	39.87%	Maintenance Costs					
						Sources of Supply, Collections & Expenses					

For the Twelve Months Ending December 31, 2004

CURRENT MONTH					YEAR TO DATE					
Actual	Budget	Prior	% Change Budget	% Change Prior		Actual	Budget	Prior	% Change Budget	% Change Prior
\$0	\$0	\$194	0.00%	-100.00%	Chemicals	\$0	\$0	\$194	0.00%	-100.00%
0	8,200	3,500	-100.00%	-100.00%	Materials & Supplies	23,491	98,400	43,459	-76.13%	-45.95%
3,391	0	3,494	0.00%	-2.95%	Contractual Services	6,712	0	30,503	0.00%	-78.00%
3,391	8,200	7,188	-58.65%	-52.82%		30,203	98,400	74,156	-69.31%	-59.27%
0	2,563	3,500	-100.00%	-100.00%	Water Treatment & Pumping Expenses					
0	2,563	3,500	-100.00%	-100.00%	Materials & Supplies	3,500	30,750	42,346	-88.62%	-91.73%
						3,500	30,750	42,346	-88.62%	-91.73%
627	6,400	3,651	-90.20%	-82.83%	Transportation & Distr. Treatment & Disposal Exp	8,364	74,248	42,953	-88.74%	-80.53%
0	0	0	0.00%	0.00%	Materials & Supplies	3,414	0	0	0.00%	0.00%
0	0	151	0.00%	-100.00%	Contractual Services-Other	715	0	151	0.00%	373.51%
627	6,400	3,802	-90.20%	-83.51%	Equipment Rental	12,493	74,248	43,104	-83.17%	-71.02%
					Effluent Water Treatment Expenses					
813	0	0	0.00%	0.00%	Effluent Water Distribution Expenses	813	0	0	0.00%	0.00%
813	0	0	0.00%	0.00%	Equipment Rental	813	0	0	0.00%	0.00%
4,831	17,163	14,490	-71.85%	-66.66%	Total Maintenance Costs	47,009	203,398	159,606	-76.89%	-70.55%
					Administrative & General Costs					
0	0	839	0.00%	-100.00%	Purchased Power	0	0	953	0.00%	-100.00%
13	940	122	-98.62%	-89.34%	Telephone	6,466	11,275	7,367	-42.65%	-12.23%
0	0	0	0.00%	0.00%	Materials & Supplies	7,360	0	2,704	0.00%	172.19%
25,602	38,627	79,031	-33.72%	-67.61%	Contractual Services	280,051	463,530	365,407	-39.58%	-23.36%
2,000	0	2,000	0.00%	0.00%	Rent - Intercompany	24,000	0	24,000	0.00%	0.00%
663	0	81	0.00%	718.52%	Rentals-Building & Equipment	8,967	0	5,925	0.00%	51.34%
0	0	0	0.00%	0.00%	Security	0	0	199	0.00%	-100.00%
0	0	444	0.00%	-100.00%	Transportation Expenses	1,025	0	655	0.00%	56.49%
250	683	0	-63.40%	0.00%	Licences & Fees	17,040	8,200	25,313	107.80%	-32.68%
0	0	0	0.00%	0.00%	Public Relations	13,920	0	0	0.00%	0.00%
1,567	1,178	(240)	33.02%	-752.92%	Insurance	18,443	14,133	16,046	30.50%	14.94%
20,684	4,783	5,916	332.45%	249.63%	Property Taxes	135,981	57,400	70,992	136.90%	91.54%
1,150	0	0	0.00%	0.00%	Central Office Costs	35,242	0	0	0.00%	0.00%
309	0	634	0.00%	-51.26%	Bank Charges	6,112	0	4,389	0.00%	39.26%
52,238	46,211	88,827	13.04%	-41.19%	Total Administrative & General Costs	554,607	554,538	523,950	0.01%	5.85%
82,061	107,144	36,669	-23.41%	123.79%	Net Income Before Depn, Interest & Tax	1,050,386	1,206,885	1,023,607	-12.97%	2.62%
					Interest					
0	0	0	0.00%	0.00%	Interest	0	0	32	0.00%	-100.00%
0	0	0	0.00%	0.00%	Total Interest	0	0	32	0.00%	-100.00%
					Depreciation / Amortization					

For the Twelve Months Ending December 31, 2004

CURRENT MONTH					YEAR TO DATE				
Actual	Budget	Prior	% Change Budget	% Change Prior	Actual	Budget	Prior	% Change Budget	% Change Prior
\$19,256	\$40,179	\$65,300	-52.07%	-70.51%	\$220,585	\$482,145	\$215,397	-54.25%	2.41%
19,256	40,179	65,300	-52.07%	-70.51%	220,585	482,145	215,397	-54.25%	2.41%
0	0	0	0.00%		0	0	340,603	0.00%	-100.00%
0	0	0	0.00%		0	0	340,603	0.00%	-100.00%
5,111	0	2,965	0.00%	72.38%	47,774	0	6,068	0.00%	687.31%
5,111	0	2,965	0.00%	72.38%	47,774	0	6,068	0.00%	687.31%
57,694	66,965	(31,596)	-13.84%	-282.60%	782,027	724,740	461,507	7.90%	69.45%



111 W. Wigwam Blvd., Suite B
 Litchfield Park, AZ 85340
 Phone: (623) 935-9367 - Fax: (623) 935-1020

LETTER OF TRANSMITTAL

DATE: April 11, 2005

ATTN: Compliance Section-Utilities Section

RE: Annual Report for Gold Canyon Sewer

TO: Compliance Section
Utilities Division - ACC
1200 West Washington Street
Phoenix, AZ 85007

The Following Items Are Forwarded To You: (x) Attached () Under Separate Cover

- ☐ Bid Package ☐ Copy of Letter ☐ Shop Drawings ☐ Specifications
☐ Change Order ☐ Plans/Prints ☒ Other Annual Report

DESCRIPTION		
1	1	Gold Canyon Sewer Corp. – Annual Report

These Are Transmitted As Checked Below:

- ☐ For signature ☐ For your use
☐ Approved as submitted ☐ For review and comment
☐ Approved as noted ☐ Prints returned after loan
☐ Re-submit _____ copies for approval ☐ Submit _____ copies for distribution
☐ FOR BIDS DUE _____ ☒ As requested

Remarks: _____

Copy To: file

Signed: Barbara Riden